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March 14, 2006

TO: Members of the Transportation Policy Committee

FROM: Mayor Elaine M. Scruggs, Glendale, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA

Wednesday, March 22, 2006 - 4:00 p.m.
MAG Office, Suite 200 - Saguaro Room
302 N. First Avenue, Phoenix

A meeting of the Transportation Policy Committee is scheduled for the time and place noted above. Members of the Committee may attend the meeting either in person, by videoconference, or by telephone conference call. As was discussed at the first meeting of the Committee, proxies would not be allowed. Members who are not able to attend the meeting are encouraged to submit their comments in writing, so that their view would always be a part of the process.

Please park in the garage under the Compass Bank Building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Valerie Day at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

Refreshments and a light snack will be provided. If you have any questions, please contact me at (623) 930-2262, or Eric Anderson, MAG Transportation Director or Dennis Smith, MAG Executive Director, at (602) 254-6300.

A Voluntary Association of Local Governments in Maricopa County

City of Apache Junction ▲ City of Avondale ▲ Town of Buckeye ▲ Town of Carefree ▲ Town of Cave Creek ▲ City of Chandler ▲ City of El Mirage ▲ Fort McDowell Yavapai Nation ▲ Town of Fountain Hills ▲ Town of Gila Bend
Gila River Indian Community ▲ Town of Gilbert ▲ City of Glendale ▲ City of Goodyear ▲ Town of Guadalupe ▲ City of Litchfield Park ▲ Maricopa County ▲ City of Mesa ▲ Town of Paradise Valley ▲ City of Peoria ▲ City of Phoenix
Town of Queen Creek ▲ Salt River Pima-Maricopa Indian Community ▲ City of Scottsdale ▲ City of Surprise ▲ City of Tempe ▲ City of Tolleson ▲ Town of Wickenburg ▲ Town of Youngtown ▲ Arizona Department of Transportation

**TRANSPORTATION POLICY COMMITTEE
TENTATIVE AGENDA
March 22, 2006**

| | <u>COMMITTEE ACTION REQUESTED</u> |
|---|--|
| 1. <u>Call to Order</u> | |
| 2. <u>Pledge of Allegiance</u> | |
| 3. <u>Call to the Audience</u> An opportunity will be provided to members of the public to address the Transportation Policy Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Transportation Policy Committee requests an exception to this limit. Please note that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. | 3. Information. |
| 4. <u>Approval of Consent Agenda</u> Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items that are being presented for action. Following the comment period, Committee members may request that an item be removed from the consent agenda. Consent items are marked with an asterisk (*). | 4. Recommend approval of the Consent Agenda. |
| ITEMS PROPOSED FOR CONSENT* | |
| *4A. <u>Approval of January 18, 2006 Meeting Minutes</u> | 4A. Review and approve the January 18, 2006 meeting minutes. |
| *4B. <u>Initial Closeout of the Federal Fiscal Year (FFY) 2006 MAG Federally Funded Program</u> In this phase of the FY 2006 closeout process, approximately \$1.5 million is available for the initial closeout. Requests to defer MAG federally funded projects from FY 2006 to FY 2007 were | 4B. Information and discussion. |

due March 1, 2006. This item was on the agendas of the Transportation Review Committee and the MAG Management Committee for information and discussion. Please refer to the enclosed material.

*4C. Proposed Amendment to the FY 2006-2010 Transportation Improvement Program for Highway and Transit Projects

On July 25, 2005, the FY 2006-2010 MAG Transportation Improvement Program (TIP) was approved by the MAG Regional Council. Since then, the following six projects have been identified that need to be added to the TIP: a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded Intelligent Transportation System (ITS) Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe. The Transportation Review Committee and the Management Committee recommended approval of the Amendment for the projects listed. Please refer to the enclosed material.

4C. Recommend approval of a TIP Amendment to the FY 2006-2010 MAG Transportation Improvement Program to add a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded ITS Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe, as shown in the attached tables.

ITEMS PROPOSED TO BE HEARD

5. City of Phoenix Request to Advance the I-17/Dove Valley Road Traffic Interchange

MAG has received a request to accelerate a project that is part of the Freeway Life Cycle program. The City of Phoenix has submitted a request to advance the construction of the I-17 and Dove Valley Road Traffic Interchange (TI) by approximately 15 years to coincide with the widening of I-17 in FY 2007. The Dove Valley TI is listed in the Regional Transportation Plan as a Phase IV project and is currently in the ADOT Life Cycle Program for design funding in 2021 and construction in 2022. The City will provide the funding for the acceleration of the project with repayment as provided in the ADOT Life Cycle Program at the time of the repayment. The project would be accelerated under the MAG Freeway/Highway Acceleration policy with the repayment subject to program accelerations or

5. Recommend approval of the City of Phoenix Request to Advance the I-17/Dove Valley Road Traffic Interchange project.

delays as any other project in the life cycle program. The City will be responsible for one-half of the interest cost. The advanced schedule for this project, if approved, would be included in the draft MAG FY 2007-2011 Transportation Improvement Program and the Regional Transportation Plan FY 2006 Update that are being developed and will be presented for consideration in April for the purpose of air quality conformity analysis. On March 8, 2006, the Management Committee recommended approval of the request. Please refer to the enclosed material.

Update on the Commuter Rail Stakeholders Group

In January 2006, the MAG Regional Council approved the formation of the Commuter Rail Stakeholders Group to provide input on a scope of work for a consultant study to update the commuter rail portion of the 2003 High Capacity Transit Study. The proposed study would be coordinated with a parallel study being proposed by ADOT. The first meeting of the Stakeholders was held on February 27, 2006. Input on the development of the scope of work for the consultant study is being requested from the TPC members.

7. Update on Construction Cost Issues

An update will be provided on events and activities that have occurred since the Construction Cost Forum that was held in January 2006. Discussion of efforts by ADOT to mitigate the impacts of commodity price uncertainty on bids, recent bids received by ADOT, and information on the status of the construction industry will be presented.

8. Reevaluation of TPC Meeting Day/Time

At the January 18, 2006 TPC meeting, a reevaluation of the TPC meeting day and time was discussed. TPC members were requested to submit the days of the week and times that would be most advantageous to schedule

6. Information and discussion.

7. Information and discussion.

8. Information and discussion to determine the day of the week and time for the future TPC meetings.

committee meetings. The results of the reevaluation have been compiled and will be presented. Please refer to the enclosed material.

9. Legislative Update

An update will be provided on legislative issues of interest. Please refer to the enclosed material.

9. Information, discussion and possible action.

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING**

January 18, 2006
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

| | |
|---|--|
| Mayor Elaine Scruggs, Glendale, Chair | Mayor Boyd Dunn, Chandler |
| Councilmember Peggy Bilsten, Phoenix, | * Rusty Gant, ADOT |
| Vice Chair | * Mayor Hugh Hallman, Tempe |
| Kirk Adams, The Adams Agency | Mayor Keno Hawker, Mesa |
| F. Rockne Arnett, Citizens Transportation | * Eneas Kane, DMB Associates |
| Oversight Committee | Mayor Mary Manross, Scottsdale |
| + Mayor Ron Badowski, Wickenburg | Jacob Moore, Salt River Pima-Maricopa Indian |
| * Stephen Beard, SR Beard & Associates | Community |
| * Mayor Steven Berman, Gilbert | David Scholl, Westcor |
| Dave Berry, Swift Transportation | Councilmember Daniel Schweiker, |
| Jed S. Billings, FNF Construction | Paradise Valley |
| Mayor James Cavanaugh, Goodyear | * Supervisor Max W. Wilson, Maricopa County |
| Councilmember Pat Dennis, Peoria | Mayor J. Woodfin Thomas, Litchfield Park |

* Not present

Participated by telephone conference call

+ Participated by videoconference call

1. **Call to Order**

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Elaine Scruggs at 4:10 p.m.

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited.

Chair Scruggs announced that Mayor Ron Badowski was participating via videoconference call. Chair Scruggs stated that transit tickets for those who used transit to attend the meeting and parking garage ticket validation were available from MAG staff. Chair Scruggs noted that a memorandum reflecting the unanimous recommendations taken on agenda items #4B, #4C, and #4D at the January 11, 2006 Management Committee meeting was at each member's place. In addition, a revised meeting reevaluation form for agenda item #5 and material for agenda item #6 were at each place.

3. Call to the Audience

Chair Scruggs stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. She noted that an opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Chair Scruggs recognized public comment from Dianne Barker, who expressed appreciation for the bus tickets. She said that tickets are given to everyone who uses public transit to come to the meetings, whether they speak at the public comment periods or not. Ms. Barker stated that it was her policy to not comment if she had not reviewed the agenda material. She said she had not had an opportunity for review, therefore, would not comment on it. Chair Scruggs thanked Ms. Barker for her comments.

Chair Scruggs recognized public comment from William Crowley, who commented on the October meeting minutes where it was stated that security was not there for him alone. He said he wondered if security was there to deal with staff revolts or between committee members. Mr. Crowley stated that he was directed to stop speaking at an RPTA meeting. He also brought up a misspelling in the RPTA Management Committee minutes. Mr. Crowley stated that light rail needs to go to Metrocenter as it says in the documentation. He asked why there are no bus routes on Osborn, Oak, Encanto, or West Roosevelt, where the demographics say they should be. Mr. Crowley commented that not all of the cities and towns are shown on the Valley Metro bus map. Chair Scruggs thanked Mr. Crowley for his comments.

4. Approval of Consent Agenda

Chair Scruggs stated agenda items #4A, #4B, #4C, #4D, #4E, and #4F were on the consent agenda. Public comment is provided for consent items. Each speaker is provided with a total of three minutes to comment on consent agenda. She noted that no public comment cards had been turned in.

Mayor Dunn moved to recommend approval of consent agenda items #4A, #4B, #4C, #4D, #4E, and #4F. Vice Chair Bilsten seconded.

Chair Scruggs stated that any member of the committee can request that an item be removed from the consent agenda and considered individually. Chair Scruggs asked members if they wanted to hear any of the consent agenda items.

Mayor Dunn said that wanted to offer comments on agenda item #4F. He expressed his appreciation to staff for moving forward on this item. Mayor Dunn stated that properly maintaining our freeways has been of great concern throughout the region. He stated that Proposition 400 money will start flowing in March and ADOT will be picking up with the maintenance issue on a more regular basis. He remarked that the sooner it is done the better to keep our freeways well-maintained and safe.

With no further discussion on the consent agenda, the vote on the motion passed unanimously.

4A. Approval of October 19, 2005 Meeting Minutes

The Transportation Policy Committee, by consent, approved the October 19, 2005 meeting minutes.

4B. Recommendation of Projects for MAG Federal Funding in FY 2011 of the FY 2007-2011 MAG Transportation Improvement Program (TIP) - the MAG Federally Funded Program

The Transportation Policy Committee, by consent, recommended approval of the projects for CMAQ discretionary funding in FY 2011 and to include those projects in the Draft FY 2007-2011 MAG Transportation Improvement Program for public review and comment. The MAG Regional Transportation Plan (RTP) targets all future MAG Federal Funds to specific modes and, in some cases, identifies specific projects for the funds. For ITS, Bicycle, Pedestrian and Air Quality projects, the RTP identified funds, but did not specify individual projects. Requests for projects for MAG Federal Funds expected to be available for FY 2011 have been received, ranked by modal technical advisory committees and those rankings were reviewed by the Transportation Review Committee (TRC) on December 8, 2005. The approved projects from these modes will be combined with other recommendations for the life cycle programs for freeways, arterials and transit, to form a MAG Federally Funded program. This program will then be added to the regionally funded components of the freeway, arterial and transit life cycle programs, projects from the state highway program and any locally/private funded projects being submitted for inclusion in the TIP to form the draft TIP (Listing of Projects). On January 11, 2006, the Management Committee recommended approval.

4C. Commuter Rail Update Study – Formation of Stakeholder Group

The Transportation Policy Committee, by consent, recommended that MAG form a commuter rail stakeholders group to assist in the preparation of a draft scope of work for a commuter rail study. In 2003, MAG completed the High Capacity Transit Study that examined commuter rail, bus rapid transit, light rail, and express bus service for the region. The 2003 Regional Transportation Plan included a \$5 million allocation over the 20-year period of the sales tax for commuter rail implementation work. Since that time, fuel costs have risen substantially which has raised the interest in commuter rail in the region. In addition, a number of changes to the rail operations have been made or are being planned since the 2003 High Capacity Transit Study. MAG is proposing that a stakeholder group be formed to provide input on a scope of work for a consultant study to update the commuter rail portion of the previous study. The proposed study would be coordinated with a parallel study being proposed by ADOT that will inventory and evaluate the rail infrastructure across the state with a particular emphasis on freight operations. The rail inventory information for the MAG region from the ADOT study would be used as input into the MAG Commuter Rail Study. On January 11, 2006, the Management Committee recommended approval.

4D. Changes to the Approved June 29, 2005 Arterial Life Cycle Program (ALCP) Policies and Procedures

The Transportation Policy Committee, by consent, recommended approval of the proposed changes to the approved June 29, 2005 Arterial Life Cycle Program (ALCP) Policies and Procedures. Since the approval of the ALCP Policies and Procedures in June 2005, the development of the project agreement and other aspects of the ALCP implementation process has proceeded. During this time, a number of minor changes to the Policies and Procedures were suggested to clarify and refine them to improve the administration of the ALCP. The proposed changes have been discussed with MAG member agencies

during the development of the other elements of the ALCP. The MAG Transportation Review Committee recommended approval of the changes. On January 11, 2006, the Management Committee recommended approval.

4E. Approval of the Prioritization of the Rubberized Asphalt Plan

The Transportation Policy Committee, by consent, recommended approval of the remaining rubberized asphalt plan. Two elements of the voter approved Regional Transportation Plan are \$279 million for freeway maintenance and \$75 million for freeway noise mitigation. The TPC established the TPC Freeway Maintenance/Noise Mitigation Subcommittee to develop recommendations for consideration by the TPC. On November 15, 2005, the Subcommittee recommended approval of the phasing of the remaining freeway segments to receive rubberized asphalt ("quiet pavement"). The recommended plan breaks down to four phases and the paving of approximately 28 miles of the freeways throughout the Maricopa County region.

4F. ADOT Litter and Landscape Program

The Transportation Policy Committee, by consent, recommended approval to authorize ADOT to expend the maintenance funding according to an annual schedule/work program adopted by MAG for each of the categories of litter education and control, landscape maintenance and restoration, and roadway sweeping. Additionally, each year the projects authorized by MAG would be included in the ADOT Financial Audit to ensure compliance with the purpose, scope and schedule for the funds. To ensure that the \$279 million allocated in the Regional Transportation Plan are appropriately accounted for, ADOT is establishing a new maintenance subprogram that will enable the funding to be monitored and the overall performance tracked. It is proposed that ADOT is to expend the maintenance funding according to a schedule adopted by MAG. Additionally, each year the projects authorized by MAG would be included in the ADOT Financial Audit to ensure compliance with the purpose, scope and schedule for the funds. Also, the MAG Annual Report will provide a progress report on the maintenance program. On November 14, 2005, the TPC Freeway Maintenance/Noise Mitigation Subcommittee recommended approval of the ADOT Litter and Landscape Program. Please refer to the enclosed material.

5. Reevaluation of TPC Meeting Day/Time

Chair Scruggs stated that when the TPC was established in 2002, it was determined that the TPC would meet at 4:00 p.m. on Wednesdays between the Management Committee and the Regional Council meetings. She said that Vice Chair Bilsten could become Chair in June when the election of officers for the TPC will be held. Chair Scruggs noted that the current meeting time and day conflicts with Vice Chair Bilsten's schedule so a survey was being taken to try and determine another time that might work with TPC members' calendars. She noted that the TPC needs to meet the week between the MAG Management Committee and MAG Regional Council meetings, generally the third week of the month. Chair Scruggs requested that TPC members return the completed form by January 25, marking the days and times in two-hour blocks they are available.

Mayor Thomas expressed his thanks for indulging him schedule-wise as his City Council meets the first and third Wednesday of each month.

Chair Scruggs noted that no public comment would be taken on this item as it was not for action. No further comments from the Committee were noted.

6. Update on Construction Costs and Possible Impact on the ADOT Life Cycle Program

Eric Anderson reported on how cost increases and labor and commodity shortages were affecting construction costs of the regional freeway system and some options to make adjustments to the program. Mr. Anderson stated that MAG sponsored a Challenge of Construction Forum on January 6, 2006 to bring stakeholders together and develop strategies to mitigate impacts.

Mr. Anderson stated that there is a high level of construction activity in the region and the state, with 60,000 housing permits in the County, significant commercial construction, and a record highway program for the next five years. Mr. Anderson stated that construction costs for ADOT projects have increased 20 percent to 50 percent over the past year due largely to commodity price increases and shortages. Mr. Anderson stated that because of this situation, there is a high level of uncertainty for contractors. He indicated that contractors are adjusting their bids on highway projects accordingly, such as including risk premiums that increase bids, or by not submitting bids at all. Mr. Anderson noted that typically, ADOT was receiving four to five bids on moderate projects, and that number has now dropped to one to two.

Mr. Anderson stated that the price of cement has increased tremendously, from \$100 per ton in August to \$180 per ton at the latest bid. The price of steel that was 55 cents per pound in 2003 has risen to \$1.03 per pound in 2005. Mr. Anderson stated that aggregate, used in the manufacture of cement, has seen a 30 percent increase in past year, mostly due to processing and hauling costs and reduced availability of sources. He noted that the cost for transporting sand and gravel has increased not only because the pits are moving farther out but also because the cost of diesel fuel increased 70 percent in the past year. Added to this are environmental regulations because the region has PM-10 problems.

Mr. Anderson then addressed how the cost increases are impacting project costs. He stated that the program estimate for the Red Mountain Freeway, Power to University segment was \$144 million. This estimate was revised to \$213 million. Mr. Anderson stated that two bids were received with one of them \$25 million over the estimate. He commented that these cost increases are also impacting school construction. Mr. Anderson stated that the JLBC sets the price for school construction at \$116 per square foot. He advised that this price includes not only construction, but also furniture, fixtures, and equipment. Mr. Anderson displayed a pie chart that showed the composition of the Arizona Construction Industry. He noted that more than half are in housing construction, and only seven percent are in roads and highway construction.

Mr. Anderson then addressed commodity issues. He stated that the United States is a net importer of cement, with the majority being imported from Canada. Mr. Anderson stated that Arizona produces 50 to 75 percent of state demand and the remainder needs to be imported. He said that there are two cement production plants in Arizona, one in Marana and one in Clarkdale. Mr. Anderson noted that the Marana plant has wanted to expand for the last ten years but there are environmental issues. In addition, there is lengthy process for limestone mining leases, which can take up to 18 years. Mr. Anderson stated that cement production is a high energy user; therefore, natural gas cost increases also impact costs.

Mr. Anderson stated that the shortage of rail capacity is also a contributing factor. Mr. Anderson noted that 99 percent of rail cars are being utilized. He advised that the price for cement has more than doubled and projects are being delayed because of a lack of cement. In addition, contractors are on allocations from vendors. Mr. Anderson noted one story of the forum when a recent project was to pour 1,000 cubic yards of concrete. The contractor was notified that the supplier could not deliver the concrete until March, which caused delay and wasted money.

Mr. Anderson stated that contractors at the Forum expressed a need to change contracts. He indicated that the way they are written, contractors cannot recover losses for liquidated damages caused by material shortages. Mr. Anderson noted that with the rise in petroleum prices, there are shortages with asphalt products because they can be refined to a more expensive product.

Mr. Anderson stated that demand for steel and lumber has not yet become a major issue because recovery from the hurricanes is still in the cleanup phase. He added that this could change in the rebuilding phase, which is expected to take five years.

Mr. Anderson stated that the labor shortage is a concern across all occupations, not just construction. He noted that the construction industry has a turnover rate of 40 percent. Mr. Anderson stated that a lack of apprenticeship and training programs in Arizona makes it difficult to maintain a level of qualified workers. In addition, there is a lack of management talent, which limits the ability of the construction industry to expand.

Mr. Anderson stated that the permitting process is a hindrance to expanding capacity. There is greater uncertainty and as a result, bids are increased to cover risk or fewer bids are submitted if the risk too high. With material shortages, prices are higher, schedules are uncertain, productivity is reduced, and the contractors face liquidated damages for delays. He commented that failing to meet the schedule as a result of a supply shortage is not an adequate excuse and contractors are responsible for costs incurred. Labor shortages result in higher wages, reduced productivity, and longer production schedules. He stated that the reduction in truck driving hours has impacted the excavation portion of road building.

Mr. Anderson summarized the solutions given by attendees at the Challenge of Construction Forum. He noted that there was no silver bullet to solve the problems. Mr. Anderson stated that solutions from the Forum included updating contract provisions so there will be more risk sharing for cost and schedule changes; reviewing material specifications that might be unnecessary; dealing with cement shortage by relief of the tariff on Mexican cement; negotiating supply agreements; modifying the liquidated damages clause in contracts; marketing regional and state construction activity nationally to expand the pool of bidders; and Life Cycle Program management to provide a good understanding of the status of the Program. Chair Scruggs thanked Mr. Anderson for his report and asked members if they had questions.

Mayor Thomas stated that he enjoyed the Forum and was surprised that increasing freight rail capacity was not rated more highly as an effective solution.

Councilmember Dennis asked if the Governor's office was aware of the cost issue and was researching whether additional money might be available to put toward the extra costs. Mr. Anderson replied that the Governor's office has been made aware of the problems with the program statewide. He stated that other areas of the state do not have their own funding mechanism so they are in need. Mr. Anderson

noted that the Governor has proposed that the \$118 million taken from ADOT in 2005 be returned in 2007.

Mayor Hawker asked if ADOT had flexibility to bid sections of freeways using indexing and to see how much risk is real and how much is not quantifiable. He stated that there could be a fixed contract and an indexed contract for bids to get two prices, which the Board would evaluate. Dan Lance, ADOT Deputy State Engineer, stated that ADOT is currently using indexing for paving asphalt and diesel fuel. He said that indexing has not worked for steel. Mr. Lance stated that AGC will be looking at the top three or four commodities in the near future to see if more indexing might be possible. Mayor Hawker asked if bids had ever been submitted both ways to see how that changed prices. Mr. Lance replied they had not.

Mr. Billings stated that the cement issue is not only price-driven, but also supply-driven. He remarked that crews cannot work if they do not have material and this increases costs. Mr. Billings stated that even if a commodity is indexed, contractors need a guarantee the supply will be available.

Mr. Anderson then addressed the impact to the MAG program. Mr. Anderson stated that \$190 million remains in the program. He said that ADOT looked at the remaining projects and made some budget adjustments. Mr. Anderson stated that the program is now \$121 million over for 2006 and has to be put back in line financially. He stated that there is a record level five-year program coming up and some projects are not ready to proceed in FY 2006. Mr. Anderson explained that design concept reports and environmental studies need to be completed before going to final design, which in turn must be completed before going to construction. He reported that the project list was reviewed with ADOT and those projects not ready to proceed would be the first to defer to FY 2007. He noted that they could not be bid in FY 2006, anyway. Mr. Anderson advised that if more projects need to be deferred, they would be deferred in priority order in keeping with adopted policies.

Mr. Anderson then reviewed the list of projects, totalling close to \$100 million, that would not be ready to proceed in FY 2006:

1. I-10, 40th Street to Baseline Road, right-of-way, budgeted for \$5,000,000. Environmental and design concept study will not be completed until FY 2007.
2. I-10, 40th Street to Baseline Road, design, budgeted for \$5,775,000. Environmental and design concept study will not be completed until FY 2007.
3. I-17, Greenway Road/Thunderbird Road project, drainage, budgeted for \$8,000,000. ADOT recommends delaying project until next year. Mr. Anderson added that this delay would be without consequence.
4. I-17, Deer Valley Traffic Interchange, construction, budgeted for \$1,911,000. Delete project - work is not needed. Mr. Anderson stated that work will be incorporated into the I-17 widening project.
5. SR-85, Milepost 139.01-Milepost 141.71, construction, budgeted for \$18,878,000. Project cannot be advertised in FY 2006 due to right-of-way issues.

6. SR-93, Wickenburg Bypass, construction, budgeted for \$26,800,000. Technical coordination is needed with Maricopa County Flood Control District before the project can be advertised. Mr. Anderson added that right-of-way also needs to be acquired.
7. Loop 101, 64th Street Traffic Interchange, construction, budgeted for \$23,000,000. Design will not be ready for bid in FY 2006 due to a cultural resource review issue with the State Land Department.
8. Loop 303, I-10 to US-60, Grand Avenue, design, budgeted for \$5,000,000. . Mr. Anderson stated that this is in the ADOT program as a \$10 million project. He noted that only the design portion in the amount of \$5 million needs to be delayed to FY 2007 because the design concept report will not be completed in time for FY 2006 design.
9. Rubberized asphalt, southwest area, construction, budgeted for \$5,222,000. Mr. Anderson stated that the full amount cannot be obligated and the balance could be moved to FY 2007.

Vice Chair Bilsten asked for clarification of the reason for delaying project #3, Greenway Road. Mr. Anderson replied that work has not been done. He added that the project might be advertised late in FY 2006. By delaying it two months until July 2006, \$8 million in savings could be realized.

Mayor Manross asked for clarification of the cultural resource review on project #7. Bill Hayden, ADOT, responded that the required archaeological work has not yet been completed by the State Land Department. Mayor Manross asked Mr. Hayden if he could give an approximate time when this project would move forward. Mr. Hayden replied that it depended on when the work would be approved by the State Historic Preservation Office (SHPO). He remarked that SHPO approval is not anticipated until FY 2007 at the earliest.

Mr. Berry stated that SR-85 impacts the traffic in the metropolitan Phoenix area because it serves as a key bypass for commercial vehicles and cars; therefore, completing it relieves pressure on the entire network. Mr. Berry commented that it is somewhat good news that the reason for delay is that the projects are not ready to proceed. However, it was disappointing to miss the deadline on 20 percent of projects, even though the delays are for many good reasons. Mr. Anderson commented that he thought a part of that is that we are in the first year of an accelerated program and have \$200 million in consulting work in the next five years. He said that a large amount of the consultant community is being tapped to get the design work done. Mr. Anderson expressed that he hoped this is a startup issue on Proposition 400.

Mr. Scholl asked the effect on the ability to bond. Mr. Anderson stated that the November revenue increase was in the double digits, which is unprecedented. He added that staff thinks that pace will not continue. Mr. Anderson indicated that ADOT has completed revised 20-year projections and they are close to the previous set of projections. He stated that if revenue continues at double digits, it will have impact on the next round of projections next year. Mr. Anderson stated that he did not want to overreact and make decisions based on unreal revenue numbers, but he was comfortable with the revenue numbers now.

Mr. Scholl asked Mr. Anderson if he described the potential delays as not being an overreaction to the cost side? Mr. Anderson replied that he did not think it was an overreaction because there is a \$20

million continuing deficit. He commented that ADOT thinks it can manage that number, so delays of more projects are not recommended. Mr. Anderson stated there are key traffic interchange projects still within the program. Originally the deficit was \$150 million of projects, but by working down the numbers with ADOT, we think we can manage the \$21 million by tuning up the cash flow. Mr. Anderson noted that there is bonding capacity that could be used and an opportunity on the federal funds side in the closeout process.

Mr. Scholl asked if the scenario was an additional \$100 million arriving in 2006-2007 or in the next 24 months to get the program back on schedule. Mr. Anderson replied that he did not think the \$100 million will be back. According to the analysis done so far, if \$100 million is moved from 2006 to 2007, this would increase the 2007 program. Unless \$100 million more is received, more projects would have to be deferred. Mr. Anderson stated that money is programmed in 2007 and 2008 for the I-10 collector/distributor system and the South Mountain that cannot be spent in 2007 because of the EIS timing. They will be done in 2008. Mr. Anderson stated that money is being moved out as part of this adjustment and freeing capacity in 2007, 2008, and 2009. He added that contingencies have been built in over 20 years. Mr. Anderson stated that there was \$300 million 2026 ending balance in last year's Life Cycle that is now down to \$150 million. He said that the schedule delays helped fill gaps in the short term and contingency in the Life Cycle program has provided the flexibility to keep the rest of the program intact. Mr. Anderson expressed concern that if costs continue to rise, additional adjustments may be needed. That is why we are trying not to overreact. Mr. Anderson remarked that this might have to be addressed in the future as the cost situation and bidding environment becomes clearer.

Mayor Thomas stated that ADOT is in the middle of its budget cycle. He said that because of the money in the State's general fund, some want a tax cut, but funding for ADOT has been cut every year. Mayor Thomas asked ADOT's capacity staff-wise to accomplish the tasks given them and is this the opportune time to approach the Legislature to add money back in to fill unstaffed positions. Mr. Smith replied that the return of the \$118 million would be a one-time occurrence. He added that another area is DPS funding. Mr. Smith stated that it was previously \$100 million and is now down to \$70 million in the proposed budget. He noted that the statutory cap was \$24 million, for which they are asking legislative relief. Mayor Thomas asked about sufficient ADOT planning staff. Mr. Anderson replied that is something we continue to look at with ADOT. He noted that when the auditors do the performance audit on the regional freeway system, they frequently bring up the staffing issue. Mr. Anderson stated there are significant staff vacancies and non-competitive salaries. In addition, a lot of money is being pumped into consulting agencies so there is a lot of demand for engineers. Mr. Anderson said that he thought ADOT has done a tremendous job in managing the workload. Regarding funding, in the long term, the State will have to look at other sources for funding transportation. He explained that other areas of the State do not have a taxing mechanism like Proposition 400 nor the tax base that the MAG region has.

Mayor Cavanaugh stated that it is apparent that the ADOT and MAG teams work well together. He said that he hoped they would not be working in isolation. Mayor Cavanaugh stated that we have to have more money if we are going to complete the Plan. He expressed that we can defend the \$100 million in delays because there are technical reasons. When you go beyond that, it becomes a quality of life issue. Mayor Cavanaugh stated that we need to formally address this with the Governor and the Legislature because they can help us solve this.

Councilmember Dennis asked if the arterial program was also being looked at to see if cities can continue to meet the need. Mr. Anderson responded that this is a concern. On the regional side, the budget is capped because the sales tax is the only source of regional funding for the arterial street program. Mr. Anderson stated that the cost risk for the projects is on the cities and the county. Over time if costs continue to increase, arterial projects might need to be deferred because cities will not be able to afford constructing them. Mr. Anderson stated that recently, no bids were received on one arterial project in Glendale, and the bid on one project in Mesa came in very high. He advised that we might have to make adjustments in the arterial program, not because the regional commitment cannot be met, but because the local commitment cannot be met due to cost increases.

Mr. Smith spoke in reference to Mayor Cavanaugh's comments. MAG's population scenario showed the population in Arizona increasing from six to 15 million residents. Mr. Smith commented that even with Proposition 400 building a good system, there are still gateway route problems. He stated that the gas tax has not been increased since 1992, and the gas tax has not been indexed. Mr. Smith stated that Arizona is ranked 42nd in the gas tax rate compared with other states. Because nothing has happened at the state level, the heavy lifting has been done by cities and regions. Mr. Smith stated that the issue is how to get more freight through the gateway routes unless there is more money in the state to address the issue.

Mr. Berry commented on the tax structure for transportation. He said that in many states, the tax on autos goes toward transportation as user fees. In Arizona, the majority of VLT funds do not go to transportation and much goes to the general fund. Mr. Berry stated that there are some fixes that do not involve raising taxes.

Chair Scruggs recognized public comment from Mr. Crowley, who asked if the bike path at I-17 and Dunlap was being done to the full footprint. He commented on working with the Salt River Pima-Maricopa Indian Community aggregate business to get all of the concrete needed. Mr. Crowley stated that old concrete could be reused for new projects. He stated that a question was asked at a previous MAG meeting about the quality of imported cement. Mr. Crowley commented that ADOT's lab is the best in the country. If the cement does not meet the test, ADOT has it taken out. He mentioned that there are many sites in the area that could be sources of aggregate. Mr. Crowley stated that the gas tax should be a percentage. He said that he would like to see SR-85 and Canamex addressed.

There being no further business, the meeting adjourned at 5:30 p.m.

Chair

Secretary

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 14, 2006

SUBJECT:

Initial Closeout of the Federal Fiscal Year (FFY) 2006 MAG Federally Funded Program

SUMMARY:

Annual suballocations of Federal Obligation Authority (OA) to the MAG region must be used or they could be lost. Each year, the process to close out the MAG federally funded program is completed in three distinct steps. First, the federal funds that have been suballocated to the MAG region are compared with the list of projects programmed in the current year (FFY 2005) of the most recent Transportation Improvement Program (TIP). Second, by March 1, MAG agencies request the deferral from the current federal fiscal year to the following year, or later, of any projects that are not likely to be completed through the federal development process in time. Third, projects are identified that are able to utilize the funds available from the first two phases and from any other obligation authority (OA) that might become available from federal sources. In this phase of the FY 2006 closeout process, approximately \$1.5 million is available for the initial closeout. March 1, 2006 was the deadline for members to submit requests to defer MAG federally funded projects from FY 2006 to FY 2007 or later. For additional information, please see the attached memorandum.

PUBLIC INPUT:

Opportunities for public input were provided at the MAG Transportation Review and MAG Management Committee meetings on February 23 and March 8, 2006, respectively. There were no comments about this particular agenda item.

PROS & CONS:

PROS: Early notification of the expected availability of funds allows member agencies to plan for interim and final year-end close out projects.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Initial analysis of funds has been provided by FHWA and ADOT Financial staff. Full analyses of the expected financial distributions at the Federal and State levels are not yet available.

POLICY: This initial close out is the first step of the Regional Council approved process.

ACTION NEEDED:

Information and discussion.

PRIOR COMMITTEE ACTIONS:

Management Committee: This item was on the March 8, 2006 Management Committee agenda for information and discussion.

MEMBERS ATTENDING

Ed Beasley, Glendale, Chair
Jan Dolan, Scottsdale, Vice Chair
#Janine Hanna-Solley for George Hoffman,
Apache Junction
Charlie McClendon, Avondale
Carroll Reynolds, Buckeye
* Jon Pearson, Carefree
* Usama Abujbarah, Cave Creek
Mark Pentz, Chandler
* B.J. Cornwall, El Mirage
Alfonso Rodriguez for Orlando Moreno, Fort
McDowell Yavapai Nation
Ellen Pence for Tim Pickering, Fountain Hills
+Lynn Farmer, Gila Bend
* Gila River Indian Community
George Pettit, Gilbert
Stephen Cleveland, Goodyear

Mark Johnson, Guadalupe
Darryl Crossman, Litchfield Park
Christopher Brady, Mesa
Tom Martinsen, Paradise Valley
Terry Ellis, Peoria
Frank Fairbanks, Phoenix
#Cynthia Seelhammer, Queen Creek
Jacob Moore for Bryan Meyers, Salt River
Pima-Maricopa Indian Community
Jim Rumpeltes, Surprise
Will Manley, Tempe
* Reyes Medrano, Tolleson
* Shane Dille, Wickenburg
Mark Fooks, Youngtown
Dale Buskirk for Victor Mendez, ADOT
David Smith, Maricopa County
David Boggs, Valley Metro/RPTA

* Those members neither present nor represented by proxy.

#Participated by telephone conference call.

+Participated by videoconference call.

Transportation Review Committee: This item was on the February 23, 2006, MAG Transportation Review Committee agenda for information and discussion.

MEMBERS ATTENDING

Maricopa County: Mike Ellegood, Chairperson
ADOT: Dan Lance
Avondale: David Fitzhugh
Chandler: Patrice Kraus
* El Mirage: B.J. Cornwall
Fountain Hills: Randy Harrel
*Gila Bend: Lynn Farmer
Gilbert: Ken Maruyama for Tami Ryall
Glendale: Terry Johnson
Goodyear: Cato Esquivel
Guadalupe: Jim Ricker
* Litchfield Park: Mike Cartsonis

Mesa: Jim Huling
* Paradise Valley: Robert M. Cicarelli
Peoria: David Moody
Phoenix: Don Herp for Tom Callow
Queen Creek: Mark Young
RPTA: Bryan Jungwirth
Scottsdale: Dave Meinhardt for Mary O'Connor
Surprise: Randy Overmyer
Tempe: Carlos De Leon
* Wickenburg: Shane Dille
Valley Metro Rail: John Farry

EX-OFFICIO MEMBERS ATTENDING

* Regional Bicycle Task Force: Randi Alcott,
RPTA
* Street Committee: Darryl Crossman
ITS Committee: Alan Sanderson

* Pedestrian Working Group: Eric Iwersen,
Tempe
* Telecommunications Advisory Group:

* Members neither present nor represented by proxy.

CONTACT PERSON:

Paul Ward, MAG, 602-254-6300.



**MARICOPA
ASSOCIATION of
GOVERNMENTS**

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March 14, 2006

TO: Members of the MAG Transportation Policy Committee

FROM: Paul D. Ward, Transportation Programming Manager

SUBJECT: FEDERAL FISCAL YEAR (FFY) 2006 INITIAL YEAR END CLOSEOUT

As part of the initial phase of the year end closeout of the FFY 2006 MAG federally funded program, this memorandum contains a comparison of the funds expected to be available for FFY 2006 and the projects programmed. This analysis shows that approximately \$1.5 million is available from uncommitted funds in the current FFY. There will also be funds available from projects being deferred from FY 2006 to FY 2007 or later and the deadline for submitting these requests for deferrals was **March 1, 2006**.

BACKGROUND

Current guidelines for the year end closeout process were approved by the Regional Council in 1995 and were slightly revised in 1996 and 2001. Important points for utilizing closeout funds are as follows:

- If federal funds are not utilized each year, they remain in accounts maintained by ADOT. However, the authority to spend those funds, known as Obligation Authority (OA), must be used each year or it may be lost to other states. If a state utilizes all of its allotted OA, there are opportunities to receive additional, redistributed OA. As a result, the MAG region attempts to utilize all of the OA targeted for projects within the region and identifies contingency projects that can utilize any redistributed OA, if any should become available.
- Any project that wishes to utilize year end closeout federal funds must have completed the federal project development process and be in a position to go to bid by the end of the current federal fiscal year. This requirement shows a distinct preference for projects that have already fulfilled the federal development process, or that have little or no development processes, such as design or procurement projects. Transit projects operate under an Annual Grant process and the obligation process differs slightly. Transfers of funding from highway to transit funds can be accomplished at very short notice and make very good candidates for contingency projects.
- Current Regional Council approved priorities for closeout funds are:

A Voluntary Association of Local Governments in Maricopa County

City of Apache Junction ▲ City of Avondale ▲ Town of Buckeye ▲ Town of Carefree ▲ Town of Cave Creek ▲ City of Chandler ▲ City of El Mirage ▲ Fort McDowell Yavapai Nation ▲ Town of Fountain Hills ▲ Town of Gila Bend
Gila River Indian Community ▲ Town of Gilbert ▲ City of Glendale ▲ City of Goodyear ▲ Town of Guadalupe ▲ City of Litchfield Park ▲ Maricopa County ▲ City of Mesa ▲ Town of Paradise Valley ▲ City of Peoria ▲ City of Phoenix
Town of Queen Creek ▲ Salt River Pima-Maricopa Indian Community ▲ City of Scottsdale ▲ City of Surprise ▲ City of Tempe ▲ City of Tolleson ▲ Town of Wickenburg ▲ Town of Youngtown ▲ Arizona Department of Transportation

- Advancing projects (or phases of projects) that are already programmed with MAG federal funds in a future year;
 - Adding additional federal funds to an existing, unobligated projects, up to the originally programmed, federal-aid maximum;
 - Any other projects.
- If there is any unutilized OA, it is usually 'loaned' to ADOT and repaid in the following year. Generally, out of an average of \$75 million in federal funds each year of TEA-21, the MAG region has 'loaned' less than \$200,000 to ADOT at the end of each year (including successfully utilizing an average of \$1.5 million in redistributed OA at the end of each year).
 - The Regional Transportation Plan (RTP) allocates the overall allocation of MAG federal funds by mode. Although RTP modal allocations should be considered during the closeout process, it may not be possible given the desire to obligate all of the funds before the end of the FFY.

THE CLOSEOUT PROCESS

Projections of MAG federal funds are estimated based on the underlying federal authorizing legislation involved (SAFETEA-LU) and are usually programmed in the MAG Transportation Improvement Program (TIP) up to five years ahead. An estimate of the expected OA limitation for the period covered by the TIP usually reduces the expected funds and other conservative techniques are used to try and ensure that we live within our budgets. This approach has successfully ensured that we have not had more projects programmed than funds available.

The closeout process for each federal fiscal year has evolved over the past few years and can be split into three separate parts as follows:

Initial Closeout: The initial closeout usually occurs at the beginning of the FFY, October 1, and involves a simple comparison between the funds available and the projects programmed, resulting in an initial estimate of uncommitted funds. These uncommitted funds are not usually made available immediately, but are made available during the interim and final phases of the closeout process.

The date at which the initial closeout occurs is directly affected by the date when the annual Transportation Appropriations bill is passed and, in recent years, this date has been several months later than expected. For example, the FY 2005 Transportation Appropriations Bill was only passed in January 2005. However, the FY 2006 Bill has already been passed and good estimates of the funds available are known.

Interim Closeout: Under the process established for the year end closeout, MAG agencies notify MAG staff, by March 1 of each year, of the projects that they wish to defer from the current fiscal year to the following fiscal year or that they do not wish to proceed with. The current year funds that are released by these actions are then added to the uncommitted funds from the initial closeout and form the majority of the funds that are made available for closeout projects. When this amount is known, agencies are then requested to identify projects that can utilize the funds made available.

As many of the funds available for current year projects are often deferred from one year to another, the priorities established for utilizing the funds are based on advancing future year projects, if possible, then adding additional funds to existing projects, and then any other uses. Due to the limited time frame involved, projects that are identified for using closeout funds are, by definition, only considered if they are likely to be able to utilize the funds within the current federal fiscal year.

The time frame for developing federally funded construction projects is currently between 18 and 24 months, so this process effectively excludes the advancement of construction projects, unless the projects involved have already been designed and appropriately reviewed by ADOT Local Governments staff. When the projects that can utilize the current year funds are identified, TIP Amendment actions are taken and sponsor agencies are then expected to implement the projects accordingly. Action by the Regional Council on the Interim Closeout usually occurs by May or June of each year.

Projects such as advance designs, additional funds for street sweepers and advancing the purchase of transit projects are good candidates for utilizing interim closeout funds, as they are able to utilize the funds in the short time frame involved. More and more agencies are requesting to advance the design of future years' federally funded projects and technical advisory committees have been encouraging this strategy for advancing the development of projects. In addition, some agencies have requested closeout federal funds for completing the advance design of projects that are programmed for construction or implementation with local funds in the TIP. The process to utilize federal funds for a design project is relatively short (two to three months) and, once the designs have been completed, the projects are then candidates for construction with the following year's federal closeout funds as the projects have already been developed to federal standards.

Final Closeout: Throughout the federal fiscal year, and especially during the first and final years of a federal reauthorization bill, there are adjustments made to the apportionment or appropriations formulas that can add to, or subtract from, the funds available. Furthermore, and as previously indicated, if MAG agencies successfully utilize all of the OA available, there is an opportunity to receive additional, redistributed OA. On average, MAG has received approximately \$1.5 million in redistributed OA each year during the period of TEA-21. The notification of the availability of this OA is usually at extremely short notice and occurs after July of each year.

The timing of these notifications does not allow for due consideration by MAG modal technical advisory committees, nor for any formal review and approval by the Management Committee or Regional Council. During the final closeout process, agencies identify possible contingency projects that can utilize the funds at extremely short notice. Likely projects for final closeout funds are transit projects, procurement projects and advancing the repayment of federally funded programmed projects that have been advance constructed and have been changed in the TIP for repayment in a future year. These projects can successfully be "obligated" at very short notice and do not require any additional actions by MAG committees.

FFY 2006 INITIAL CLOSEOUT ESTIMATES

The FY 2006 federal funds available for programming amount to \$96.1 million, and the projects programmed total \$94.6 million, leaving an uncommitted \$1.5 million.

EXPECTED TIMELINE

The uncommitted funds are available for immediate use, However, these funds are usually combined with funds released by deferred projects and projects are usually then selected during the interim closeout phase. It is expected that the Transportation Review Committee in March will review the funds available and may discuss preferences for how the funds available should be targeted. Requests for these funds should be submitted to MAG staff by **Friday, April 28, 2006**.

MAG staff will review the projects and make estimates of emission reductions for a possible ranking of projects, as appropriate. It is expected that TRC action on the interim list of closeout projects will occur in May, with Management Committee, Transportation Policy Committee and Regional Council action taking place in June 2006. Successful projects will be expected to have completed their respective development process and have the final requests submitted to ADOT for obligation by August 1, 2006.

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 14, 2006

SUBJECT:

Proposed Amendment to the FY 2006-2010 Transportation Improvement Program for Highway and Transit Projects

SUMMARY:

On July 25, 2005, the FY 2006-2010 MAG Transportation Improvement Program (TIP) was approved by the MAG Regional Council. Since then, the following six projects have been identified that need to be added to the TIP: a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded ITS Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe.

PUBLIC INPUT:

Opportunities for public input were provided at the Transportation Review and MAG Management Committee meetings on February 23 and March 8, 2006. At the Management Committee meeting, a citizen commented that not all bridges have a sufficiency rating. All of the projects are included in the air quality conformity consultation process, and this consultation is being considered as a separate agenda item.

PROS & CONS:

PROS: Approval of this TIP amendment will allow the projects to proceed in a timely manner.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Projects that wish to utilize transportation federal funds need to be shown in the TIP in the year that they expect to commence and may need to undergo an air quality conformity analysis assessment.

POLICY: This amendment request is in accord with all MAG guidelines.

ACTION NEEDED:

Recommend approval of a TIP Amendment to the FY 2006-2010 MAG Transportation Improvement Program to add a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded ITS Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe, as shown in the attached tables.

PRIOR COMMITTEE ACTIONS:

Management Committee: On March 8, 2006, the Management Committee recommended approval of the TIP amendment.

MEMBERS ATTENDING

- | | |
|---|--|
| Ed Beasley, Glendale, Chair | Mark Johnson, Guadalupe |
| Jan Dolan, Scottsdale, Vice Chair | Darryl Crossman, Litchfield Park |
| # Janine Hanna-Solley for George Hoffman, Apache Junction | Christopher Brady, Mesa |
| Charlie McClendon, Avondale | Tom Martinsen, Paradise Valley |
| Carroll Reynolds, Buckeye | Terry Ellis, Peoria |
| * Jon Pearson, Carefree | Frank Fairbanks, Phoenix |
| * Usama Abujbarah, Cave Creek | # Cynthia Seelhammer, Queen Creek |
| Mark Pentz, Chandler | Jacob Moore for Bryan Meyers, Salt River |
| * B.J. Cornwall, El Mirage | Pima-Maricopa Indian Community |
| Alfonso Rodriguez for Orlando Moreno, Fort McDowell Yavapai Nation | Jim Rumpeltes, Surprise |
| Ellen Pence for Tim Pickering, Fountain Hills | Will Manley, Tempe |
| + Lynn Farmer, Gila Bend | * Reyes Medrano, Tolleson |
| * Gila River Indian Community | * Shane Dille, Wickenburg |
| George Pettit, Gilbert | Mark Fooks, Youngtown |
| Stephen Cleveland, Goodyear | Dale Buskirk for Victor Mendez, ADOT |
| | David Smith, Maricopa County |
| | David Boggs, Valley Metro/RPTA |
- * Those members neither present nor represented by proxy.
Participated by telephone conference call.
+ Participated by videoconference call.

Transportation Review Committee: On February 23, 2006, the MAG Transportation Review Committee unanimously recommended approval of an Amendment to the FY 2006-2010 Transportation Improvement Program for highway and transit projects.

MEMBERS ATTENDING

- | | |
|--|--|
| Maricopa County: Mike Ellegood, Chairman | Mesa: Jim Huling |
| ADOT: Dan Lance | * Paradise Valley: Robert M. Cicarelli |
| Avondale: David Fitzhugh | Peoria: David Moody |
| Chandler: Patrice Kraus | Phoenix: Don Herp for Tom Callow |
| * El Mirage: B.J. Cornwall | Queen Creek: Mark Young |
| Fountain Hills: Randy Harrel | RPTA: Bryan Jungwirth |
| * Gila Bend: Lynn Farmer | Scottsdale: Dave Meinhardt for Mary O'Connor |
| Gilbert: Ken Maruyama for Tami Ryal | Surprise: Randy Overmyer |
| Glendale: Terry Johnson | Tempe: Carlos De Leon |
| Goodyear: Cato Esquivel | * Wickenburg: Shane Dille |
| Guadalupe: Jim Ricker | Valley Metro Rail: John Farry |
| * Litchfield Park: Mike Cartsonis | |

EX-OFFICIO MEMBERS ATTENDING

- | | |
|--|--|
| * Regional Bicycle Task Force: Randi Alcott, RPTA | * Pedestrian Working Group: Eric Iwersen, Tempe |
| * Street Committee: Darryl Crossman | * Telecommunications Advisory Group: |
| ITS Committee: Alan Sanderson | |
- * Members neither present nor represented by proxy.

CONTACT PERSON:

Paul Ward, MAG, 602-254-6300.

Table One A - Amendment to the FY 2006-2010 MAG TIP for Highway Projects (Amendment Number 2A)
The listed projects DO NOT involve FTA funds, NOR the transfer of FHWA funds to FTA.

| Proj # | Agency | Description | FY | Length | Fund Type | Local Cost | Fed. Cost | Reg. Cost | Total Cost | Errata Reason |
|--|---------|--|------|--------|-----------|------------|-----------|-----------|------------|--|
| PHX06-638 | Phoenix | Regionwide: Bridge Scour Plan of Action | 2006 | 0 | BR | \$15,000 | \$60,000 | \$0 | \$75,000 | Add new Bridge Scour project to FY 2006 with BR funds |
| MES06-701 | Mesa | Country Club Dr: Baseline Rd to McKellips Rd: Design ITS Traffic Signal Conversion from Sonix to Icon | 2006 | 5 | Local | \$220,000 | \$0 | \$0 | \$220,000 | Add new ITS design project to FY 2006 with local funds |
| MES06-702 | Mesa | Mesa Dr: Broadway Rd to Brown Rd and Main St: Mesa Dr to Williams: Design ITS Traffic Signal Conversion from Sonix to Icon | 2006 | 3.5 | Local | \$120,000 | \$0 | \$0 | \$120,000 | Add new ITS design project to FY 2006 with local funds |
| Total added to (or deleted from) the FY 2006-2010 MAG TIP: | | | | | | \$355,000 | \$60,000 | \$0 | \$415,000 | |

Table One B - Amendment to the FY 2006-2010 MAG TIP for Transit Projects (Amendment Number 2B)
ALL of the listed projects involve FTA funds, OR the transfer of FHWA funds to FTA.

| Proj # | Agency | Description | FY | Length | Fund Type | Local Cost | Fed. Cost | Reg. Cost | Total Cost | Errata Reason |
|--|--------------|--|------|--------|-----------|-------------|-------------|-----------|-------------|--|
| VMT06-666T | Valley Metro | Citywide: Design and construct upgrades - Mesa | 2006 | 0 | 5307 | \$121,000 | \$484,000 | \$0 | \$605,000 | Add new Transit project to FY 2006 with 5307 funds |
| AVN06-601T | Avondale | Areawide: Operating assistance - Avondale urbanized area | 2006 | 0 | 5307 | \$814,700 | \$814,700 | \$0 | \$1,629,400 | Add new Transit project to FY 2006 with 5307 funds |
| TMP06-607T | Tempe | Downtown Tempe: Construct downtown transit center | 2006 | 0 | 5309 | \$194,356 | \$777,422 | \$0 | \$971,778 | Add new Transit project to FY 2006 with 5309 funds |
| Total added to (or deleted from) the FY 2006-2010 MAG TIP: | | | | | | \$1,130,056 | \$2,076,122 | \$0 | \$3,206,178 | |

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 14, 2006

SUBJECT:

City of Phoenix Request to Advance the I-17/Dove Valley Road Traffic Interchange

SUMMARY:

MAG has received a request to advance the construction of the I-17 and Dove Valley Road Traffic Interchange (TI) to coincide with the widening of I-17 which is scheduled for construction in FY 2007. The Dove Valley TI is listed in the Regional Transportation Plan as a Phase IV project and is currently in the ADOT Life Cycle Program for design funding in 2021 and construction in 2022. The City will provide the funding for the acceleration of the project, including design, right of way, and construction. Repayment will be made as provided in the ADOT Life Cycle Program at the time of the repayment. The project would be accelerated under the MAG Freeway/Highway Acceleration policy with the repayment to the City of Phoenix subject to program advancements or delays as any other project in the life cycle program. The City will be responsible for one-half of the interest cost. The advanced project, if approved, would be included in the draft MAG FY 2007-2011 Transportation Improvement Program and the Regional Transportation Plan FY 2006 Update that are being developed and will be presented for consideration in April for the purpose of air quality conformity analysis.

PUBLIC INPUT:

At the March Management Committee meeting, a citizen stated support for the project, but wondered if it was being done to the full footprint.

PROS & CONS:

PROS: The Phoenix proposal to accelerate the construction of the I-17 and Dove Valley Road Traffic Interchange (TI) by approximately 15 years will coincide with the widening of I-17 in FY 2007. This will result in less disruption of traffic on I-17 since all of the construction will be completed as part of the widening project.

CONS: The accelerated construction increases the workload for ADOT.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Advance construction projects need to be shown in the TIP in the year that they commence. The repayment of the advance construction also needs to be shown in the respective year that repayment is due in the ADOT Life Cycle Program.

POLICY: This amendment request is in accord with the MAG Highway Acceleration Policy adopted by the MAG Regional Council in March 2000.

ACTION NEEDED:

Recommend approval of the City of Phoenix request to Advance the I-17/Dove Valley Road Traffic Interchange project and include the advanced project in the draft MAG FY 2007-2011 Transportation Improvement Program and the Regional Transportation Plan FY 2006 Update for the purpose of air quality conformity analysis.

PRIOR COMMITTEE ACTIONS:

Management Committee : On March 8, 2006, the Management Committee recommended approval of the request, with one abstention (**shaded**).

MEMBERS ATTENDING

- | | |
|---|--|
| Ed Beasley, Glendale, Chair | Mark Johnson, Guadalupe |
| Jan Dolan, Scottsdale, Vice Chair | Darryl Crossman, Litchfield Park |
| # Janine Hanna-Solley for George Hoffman, Apache Junction | Christopher Brady, Mesa |
| Charlie McClendon, Avondale | Tom Martinsen, Paradise Valley |
| Carroll Reynolds, Buckeye | Terry Ellis, Peoria |
| * Jon Pearson, Carefree | Frank Fairbanks, Phoenix |
| * Usama Abujbarah, Cave Creek | # Cynthia Seelhammer, Queen Creek |
| Mark Pentz, Chandler | Jacob Moore for Bryan Meyers, Salt River |
| * B.J. Cornwall, El Mirage | Pima-Maricopa Indian Community |
| Alfonso Rodriguez for Orlando Moreno, | Jim Rumpeltes, Surprise |
| Fort McDowell Yavapai Nation | Will Manley, Tempe |
| Ellen Pence for Tim Pickering, | * Reyes Medrano, Tolleson |
| Fountain Hills | * Shane Dille, Wickenburg |
| + Lynn Farmer, Gila Bend | Mark Fooks, Youngtown |
| * Gila River Indian Community | Dale Buskirk for Victor Mendez, ADOT |
| George Pettit, Gilbert | David Smith, Maricopa County |
| Stephen Cleveland, Goodyear | David Boggs, Valley Metro/RPTA |

* Those members neither present nor represented by proxy.

Participated by telephone conference call. + Participated by videoconference call.

The request to advance the Dove Valley Traffic Interchange was included on the December 8, 2005 Transportation Review Committee agenda for information and discussion.

MEMBERS ATTENDING

- | | |
|--|---------------------------------------|
| Maricopa County: Mike Ellegood, Chairman | Mesa: Jeff Martin |
| ADOT: Dan Lance | *Paradise Valley: Robert M. Cicarelli |
| Avondale: David Fitzhugh | *Peoria: David Moody |
| * Chandler: Patrice Kraus | Phoenix: Don Herp for Tom Callow |
| * El Mirage: B.J. Cornwall | Queen Creek: Mark Young |
| Fountain Hills: Randy Harrel | RPTA: Bryan Jungwirth |
| * Gila Bend: Lynn Farmer | Scottsdale: Mary O'Connor |
| * Gilbert: Tami Ryall | Surprise: Randy Overmyer |
| Glendale: Terry Johnson | Tempe: Carlos De Leon |
| * Goodyear: Cato Esquivel | *Wickenburg: Shane Dille |
| * Guadalupe: Jim Ricker | Valley Metro Rail: John Farry |
| * Litchfield Park: Mike Cartsonis | |

EX-OFFICIO MEMBERS ATTENDING

- | | |
|---|--|
| * Regional Bicycle Task Force: Randi Alcott, RPTA | *Pedestrian Working Group: Eric Iwersen, Tempe |
| * Street Committee: Larry Shobe, Tempe | *Telecommunications Advisory Group: |
| * ITS Committee: Alan Sanderson, Mesa | |

* Those members neither present nor represented by proxy.

CONTACT PERSON:

Eric Anderson, MAG Transportation Director, 602-254-6300.

Agenda Item #8

Times NOT available

| | Adams | Aneitt | Badowski | Beard | Berman | Berry | Billings | Blisten | Cavanaugh | Dennis | Dunn | Hallman | Hawker | Kane | Lane | Lopez- | Mancoss | Moore | Scholl | Schweiker | Scruggs | Thomas* | Stapley |
|--------|-------|--------|----------|-------|--------|-------|----------|---------|-----------|--------|------|---------|--------|------|------|--------|---------|-------|--------|-----------|---------|---------|---------|
| M 8a | | | | | | | | | | | | | | | | | | | | | | | |
| M 9a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 11 |
| M 10a | | | | | | | | | | | | | | | | | | | | | | | 10 |
| M 11a | 1 | 1 | | | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| M 12a | | | | | | | | | | | | | | | | | | | | | | | 11 |
| M 1p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 11 |
| M 2p | | | | | | | | | | | | | | | | | | | | | | | 10 |
| M 3p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| M 4p | | | | | | | | | | | | | | | | | | | | | | | 8 |
| M 5p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| T 8a | | | | | | | | | | | | | | | | | | | | | | | 12 |
| T 9a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 8 |
| T 10a | | | | | | | | | | | | | | | | | | | | | | | 8 |
| T 11a | 1 | 1 | | | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| T 12a | | | | | | | | | | | | | | | | | | | | | | | 11 |
| T 1p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 11 |
| T 2p | | | | | | | | | | | | | | | | | | | | | | | 10 |
| T 3p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 8 |
| T 4p | | | | | | | | | | | | | | | | | | | | | | | 8 |
| T 5p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| W 8a | | | | | | | | | | | | | | | | | | | | | | | 12 |
| W 9a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| W 10a | | | | | | | | | | | | | | | | | | | | | | | 10 |
| W 11a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 9 |
| W 12a | | | | | | | | | | | | | | | | | | | | | | | 10 |
| W 1p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 9 |
| W 2p | | | | | | | | | | | | | | | | | | | | | | | 6 |
| W 3p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 5 |
| W 4p | | | | | | | | | | | | | | | | | | | | | | | 3 |
| W 5p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 7 |
| Th 8a | | | | | | | | | | | | | | | | | | | | | | | 10 |
| Th 9a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| Th 10a | | | | | | | | | | | | | | | | | | | | | | | 9 |
| Th 11a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 9 |
| Th 12a | | | | | | | | | | | | | | | | | | | | | | | 12 |
| Th 1p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 12 |
| Th 2p | | | | | | | | | | | | | | | | | | | | | | | 11 |
| Th 3p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| Th 4p | | | | | | | | | | | | | | | | | | | | | | | 8 |
| Th 5p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 9 |
| F 8a | | | | | | | | | | | | | | | | | | | | | | | 12 |
| F 9a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 11 |
| F 10a | | | | | | | | | | | | | | | | | | | | | | | 10 |
| F 11a | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 10 |
| F 12a | | | | | | | | | | | | | | | | | | | | | | | 11 |
| F 1p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 12 |
| F 2p | | | | | | | | | | | | | | | | | | | | | | | 14 |
| F 3p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 12 |
| F 4p | | | | | | | | | | | | | | | | | | | | | | | 12 |
| F 5p | 1 | 1 | | | 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | 1 | 1 | 1 | 1 | 13 |

*Requires a finish time by 5:00pm.

MAG Related Bills
BILL SUMMARY
 (47th Legislature – 2nd Regular Session)
Updated: March 1, 2006

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|-----------------------------------|-------------|---|---|--|---------------|
| Takings; Public Use; Juries; Fees | SCR 1002 | Blendu Bee Burns R Martin Flake Gould Gray L Harper Huppenthal Verschoor Weiers JP | <p><i>LAND USE; COMPENSATION; & EMINENT DOMAIN</i></p> <p>Would propose for the 2006 general election ballot a constitutional amendment granting any party the right to request a jury trial to determine whether or not the taking of the property is intended for public use. Additional amendment changed the legislation to ensure that the proposal only applies to cities.</p> <p>Concerns: By allowing "any affected party" to appeal, the set of possible appeals and the dynamics of the appeal process increase by orders of magnitude.</p> | <p>SENATE FIRST READ: 01/11/06 SECOND READ: 01/12/06 Assigned: JUD: DPA 1/23/06 RULES: PFC 1/30/06 COW: DPA 2/02/06 Sent to House 2/09/06 HOUSE FIRST READING: 2/20/06 SECOND READING: 2/21/06 Assigned: FMPR: RULES:</p> | Oppose |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|-----------------------------------|--------------------------|--|---|---|---------------|
| Land Use Regulation; Compensation | SCR 1019 (As Amended) | Bee, Bennett, Burns R, Jarrett, & Tibshraeny | <p>The Strike Everything Amendment to SCR 1019 proposes a ballot measure that, among other things, would require governments to compensate property owners for every zoning or land use decision they make.</p> <p>If passed the law would freeze current zoning, preventing government from responding to future community concerns.</p> <p>Examples of actions that could trigger lawsuits and payment from government:</p> <ul style="list-style-type: none"> • Approval or disapproval of historic overlay zoning; • Change in residential density; • Change from commercial, residential or industrial use; • Approval or disapproval of building height limits; • Approval or disapproval of neighborhood-developed special planning districts; • Approval or disapproval of liquor licenses; • Regulation of business hours or building design; • Enforcement or enactment of neighborhood preservation codes; and • Virtually any other land use regulation. <p>Furthermore, the law will provide a right to compensation when the zoning authority takes <u>no</u> action, as long as the owner can show that inaction reduces the value of his property.</p> | SENATE FIRST READ: 01/26/06 SECOND READ: 02/01/06 TRANS: DPA/SE 02/16/06 RULES: Held in Committee PFCA 2/22/06 | Oppose |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|---|-------------|-----------------------------|---|--|---------------|
| Eminent Domain; Presumption | HCR 2002 | Gray C Burgess Pearce | <p>States that the use of eminent domain by the state, a political subdivision of the state or a person creates a presumption that the taking is for a private use. The burden would rest with the state, political subdivision or person exercising eminent domain to establish by clear and convincing evidence facts rebutting the presumption.</p> <p>Concerns: The proposed language is tantamount to alleging that the condemning authority is attempting to perpetrate a fraud on the court in every condemnation action that it files. Ordinarily, in pleadings filed with the court, the condemning authority alleges, as required by law that the taking is for a public purpose. A presumption that the taking is actually for a private purpose seems to accuse the condemning authority of being untruthful in every condemnation pleading it files.</p> | <p>HOUSE FIRST READ: 1/09/06 SECOND READ: 1/10/06 Assigned FMPR: DP 1/09/06 RULES: C&P 01/31/06. COW: DPA 2/09/06 Third Read 2/13/06 Sent to Senate SENATE FIRST READ: 2/15/06 SECOND READ: 2/16/06 Assigned: JUD RULES</p> | Oppose |
| Takings; Public Use; Jury Determination | HCR 2003 | Gray C Burgess Pearce | <p>Very similar to SCR 1002. Allows a private property owner to request a jury to determine whether an eminent domain taking is for a public use.</p> <p>Concerns: By allowing "any affected party" to appeal, the set of possible appeals and the dynamics of the appeal process increase by orders of magnitude.</p> | <p>HOUSE FIRST READ: 1/09/06 SECOND READ: 1/10/06 Assigned FMPR: DPA 1/09/06 RULES: C&P 01/31/06. COW: DPA 2/09/06 Third Read 2/13/06 Sent to Senate SENATE FIRST READ: 2/15/06 SECOND READ: 2/16/06 Assigned: JUD RULES</p> | Oppose |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|---------------------------------------|-------------|-----------------------------|---|---|---------------|
| Land Use Regulation: Compensation | HCR 2031 | Gray C | The bill is identical to the amended version of SCR 1019. It proposes a ballot measure that, among other things, would require governments to compensate property owners for every zoning or land use decision they make. | HOUSE FIRST READ: 1/30/06 SECOND READ: 1/31/06 Assigned: FMPR: DPA/SE 2/13/06 RULES: C&P 3/07/06 | Oppose |
| Eminent domain; fees; costs; interest | HB 2062 | Gray, C Borges Pearce | Requires plaintiffs in actions for condemnation to fully disclose in writing the final project, including all aspects of work that must be performed to complete the project, to the property owner of record. | HOUSE FIRST READ: 1/09/06 SECOND READ: 1/10/06 Assigned FMPR: DP 1/09/06 RULES: C&P 01/09/06. Approved House COW: DPA 01/26/06 Third Read 2/13/06 Passed the House 2/13/06. Sent to Senate SENATE FIRST READ: 2/14/06 SECOND READ: 2/15/06 Assigned: GOV RULES | Oppose |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|--------------------------------------|-------------|----------------------|---|---|---------------|
| Eminent Domain; Appraisals; Taxes | HB 2736 | Farnsworth Gorman | Appraisals shall include the property's "good will value." Plaintiff responsible for any property taxes paid during the condemnation process. The court shall make the final order of condemnation within 180 days after the commencement of the condemnation action. Changes made to relocation costs and appraisal language. A government entity many not sell, lease, or transfer property that it acquires through eminent domain for 10 years. | HOUSE FIRST READ: 02/02/06 SECOND READ: 02/06/06 Assigned: FMPPR: DP 02/13/06 RULES: C&P 3/07/06 | Oppose |
| | | | TRANSPORTATION | | |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|---|-------------|-----------|--|--|---|
| Bond Requirements; Authorized Third Parties | SB 1098 | Verschoor | <p>Increases the bond requirement for individuals applying to participate in the Arizona Department of Transportation's (ADOT) Motor Vehicle Division (MVD) third party program. Updates exemptions from the third party application bond requirement.</p> <p>A Strike Everything amendment was adopted in the House Transportation Committee on Thursday March 9, 2006. The amendment will do the following:</p> <ul style="list-style-type: none"> • Appropriates \$463 million to a highway acceleration account in the state highway fund. • 50% of the appropriated funds would go to Maricopa County. • 25% of the appropriated funds would go to counties with a population of 500,000 or more persons. • 25% of the appropriated funds would go to counties with a population of less than 500,000 or less persons. • Design a right of way purchase or construction related to new, or improvements to, I-10 between milepost 230 and milepost 260 (City of Tucson and the edge of Pima County). | <p>SENATE FIRST READ: 01/11/06 SECOND READ: 01/12/06 Assigned: TRANS: DP 1/24/06 RULES: PFC 1/30/06 COW: DP 2/08/06 THIRD READING: 2/08/06 Sent to House 2/08/06 HOUSE FIRST READ: 02/20/06 SECOND READ: 02/21/06 Assigned: TRANS: DPA/SE 3/09/06 RULES:</p> | Support House Trans Committee Amendment |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|------------------------------|-------------|---------|--|--|---------------|
| Appropriation Highway Const. | SB 1248 | Blendu | <p>Appropriates \$118 million in FY 2006-2007 to the State Highway Fund to accelerate existing highway construction projects. According to ADOT, from October 2003 to October 2005, the prices of the six primary materials used in highway construction have increased in the following amounts:</p> <ul style="list-style-type: none"> • Steel 41 percent • Concrete 21 percent • Lumber 9 percent • Gasoline 104 percent • Diesel 162 percent • Asphalt 40 percent <p>This legislation will result in a \$118 million impact to the state General Fund in FY 2006-2007.</p> <p><u>Amendments Adopted by the Appropriations Committee</u></p> <ul style="list-style-type: none"> • Increases the appropriation to \$118 million from \$100 million. • Appropriates the monies to the State Highway Fund instead of ADOT. <p><u>Amendments Adopted on the Floor</u></p> <ul style="list-style-type: none"> • Amendment by Sen. Martin that forces funds to be used on I-10 and/or I-17 | <p>SENATE FIRST READ: 01/19/06 SECOND READ: 01/25/06 Assigned: TRANS: DP 02/07/06 APPROP: DPA 2/14/06 RULES: PFC 2/20/06 COW: DPA 2/22/06 THIRD READING: 3/06/06 Sent to House 3/06/06</p> | Support |
| ADOT ITS | SB 1420 | Martin | <p>Appropriates \$15 million from the state general fund in fiscal year 2006 - 2007 to ADOT for funding of ADOT ITS systems in Maricopa County consisting of highway cameras, message boards and a web site with current highway information. The state general fund would be repaid over a 14-year period (\$1 million per yr.) from the Regional Area Road Fund. These accelerated expenditures have not been included in the MAG Transportation Improvement Program. The section of highway that would be instrumented is 15 miles on Interstate 17 from Dunlap to Carefree Highway. This project is currently programmed for construction in 2013. The current bill requires that payments be made to the general fund on an annual basis beginning in 2007. There are a number of projects programmed prior to 2013, which have a higher priority.</p> | <p>SENATE FIRST READ: 01/30/06 SECOND READ: 02/01/06 Assigned TRANS: DP 2/14/06 APPROP: RULES:</p> | Monitor |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|-------------------------------|-------------|--|--|--|---------------|
| I-17 Widening | SB 1504 | Martin, Bee, Bennet, Blendu, Miranda, Aguirre, Flake, Garcia, Harper, Mitchell, Tibshraeny, Verschoor, Gorman, Gallardo, Reagan, Stump | The sum of \$75,000,000 is appropriated from the state general fund in fiscal year 2006-2007 and in each of the five subsequent fiscal years to the department of transportation for the widening of interstate 17 from Carefree highway north approximately twenty miles to Black Canyon City with an additional highway lane in each direction. ADOT has completed the Design Concept Report (DCR) to Black Canyon City. An environmental assessment (or environmental impact statement) would need to be completed before design could begin (1-2 years for an EA or 3 + years if an EIS is required). Design could take 2 years. Construction probably could not start for at least 3 year and perhaps longer. | SENATE FIRST READ: 1/31/06 SECOND READ: 2/02/06 Assigned: APPROP: TRANS: DP 2/14/06 RULES: | Monitor |
| Relating to municipal debt | HCR 2001 | Nelson Mason Blendu Prezelski Weiers | Increases the bonding capacity from 6 percent to 20 percent for public safety and transportation projects. | HOUSE FIRST READ: 1/09/06 SECOND READ: 1/10/06 Assigned: CMMA DP 1/10/06 GRGFA DP 1/18/06 RULES: C&P 01/31/06 COW: DP 2/13/06. Sent to Senate SENATE FIRST READ: 2/15/06 SECOND READ: 2/16/06 Assigned: GOV: RULES: | Support |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|--|-------------|--------------------------------|--|---|---------------|
| State highway fund bonds | HB 2206 | Biggs | Removes the statutory cap (currently set at \$1.3 billion) on Highway User Revenue Fund (HURF) parity bonds issued by the State Transportation Board. | HOUSE FIRST READ: 1/17/06 SECOND READ: 1/18/06 Assigned: TRANS: DP 01/19/06. APPROP (P): DP 2/01/06 RULES: Amend C&P 2/21/06 COW: DPA2/23/06 Sent to Senate SENATE FIRST READ: 2/28/06 SECOND READ: 3/01/06 Assigned: TRANS: APPROP: RULES: | Support |
| Appropriation; highway monies; repayment | HB 2332 | McClure Konopnicki Lopez | Appropriates \$52,215,300 from the State General Fund to the Highway User Revenue Fund (HURF) for distribution to counties for repayment of HURF monies diverted in fiscal year 2004-2005. | HOUSE FIRST READ: 1/17/06 SECOND READ: 1/18/06 Assigned: TRANS: DPA 01/26/06. APPROP (P): RULES: | Support |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|--|-------------|--|---|--|---------------|
| Freeway expansion; Intergovernmental Agreements | HB 2756 | Weiers Kirkpatrick Allen Brown Chase Downing Jones McLain Pearce | Provides that three or more contiguous cities may enter into an intergovernmental agreement for a period of not to exceed five years for the construction or expansion of controlled access highways in the state or interstate highway system. The cities would have an election to increase the sales tax by the same percentage in each city. The monies from the tax would be provided to the state treasurer and to ADOT. Each year, the tax is collected, an equal amount up to \$5 million per year would be allocated from the state general fund to the state treasurer for deposit into the ADOT freeway construction account. Projects are required to be identified in the ADOT Long Range Transportation Plan. | HOUSE FIRST READ: 02/02/06 SECOND READ: 02/06/06 Assigned: TRANS: DISC/HELD 2/23/06 APPROP (P) RULES | Monitor |
| Transportation Facilities; Priorities; Appropriation | HB 2769 | Gorman Borges Mason Pierce Martin Barnes Burns Farnsworth Groe Hershberger Jones McLain Murphy Nelson Nichols Paton | Provides that a ADOT departmental committee in recommending priorities shall give additional weight to projects that relieve congestion, improve accessibility, promote safety and provide economic benefits to major arterial routes. A sum of \$80 million is appropriated from the state general fund in fiscal year 2006-2007 to ADOT for deposit in a separate account of the state highway fund for cost related to new construction and improvements to the portion of Interstate 17 between the Loop 101 and northern edge of Maricopa County to relieve congestion, improve accessibility, promote safety and provide economic benefits. | HOUSE FIRST READ: 02/07/06 SECOND READ: 02/08/06 Assigned: TRANS: DISC/HELD 2/23/06 APPROP (P) RULES | Monitor |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|--|-------------|---------|---|--|---------------|
| ADOT; Receiving monies from developer | HB 2791 | Chase P | <p>Allows the Arizona Department of Transportation to receive monies from a developer for use by the department for transportation projects.</p> <p>Current statute provides exemptions from bidding requirements for private entities that fund transportation projects with private monies. However, the statute does impose mandates on a private entity that chooses to pay for construction of a transportation project. These requirements include:</p> <ul style="list-style-type: none"> • The private entity must obtain a bond in an amount equal to one hundred twenty-five per cent of the anticipated construction cost of the project before advertising for bids. • The private entity must solicit sealed bids from at least four contractors who are prequalified by the department to perform a contract of the anticipated dollar amount of the construction. • The private entity is required to Award the contract to the best bidder taking into account price and other criteria as provided in the bid documents. • The private entity must obtain bonds from the selected contractor that provide the same coverage as performance and payment bonds issued under title 34, chapter 2, article 2. • The private entity is required to use department construction standards and pay all costs of department reviews of the contract and inspections of the project. • In addition, current statute allows the Department to accept donations of land for transportation purposes; for the construction, improvement and maintenance of state highways or bridges; or for transportation construction equipment. <p>This bill was introduced as a vehicle to pass a compromise that the developers, ADOT, legislature, and the AG hope to reach in the near future. The language is expected to change and a Strike Everything Amendment will put the legislative compromise in place before it passes the legislature.</p> | HOUSE FIRST READ: 02/07/06 SECOND READ: 02/08/06 Assigned: TRANS: DP 2/23/06 APPROP (P) RULES | Monitor |

| Issue | Bill Number | Sponsor | Description | Status | Rec. Position |
|---|-------------|---------------|--|---|---------------|
| | | | OTHERS | | |
| Local building construction; procedures | HB 2136 | Nelson Blendu | Specifies that cities and towns must follow regulations outlined in title 34 relating to local building construction and procedures. | HOUSE FIRST READ: 1/11/06 SECOND READ: 1/12/06 Assigned: CMMA: DP 01/17/06 GRGFA: DPA 02/01/06 RULES: C&P 02/14/06 COW: DPA 2/16/06 Sent to Senate 2/20/06 SENATE FIRST READ: 2/21/06 SECOND READ: 2/28/06 Assigned: GOV: HELD 3/02/06 RULES: | Support |

Committee Legend:

| | |
|-------|---|
| APP | Appropriations |
| APP-B | Appropriations - Boone |
| APP-P | Appropriations - Pearce |
| CED | Commerce and Economic Development |
| CMA | Counties, Municipalities and Military Affairs |
| COM | Commerce |
| COW | Committee of the Whole |
| ED | K-12 Education |
| ENV | Environment |

| | |
|-------|---|
| FII | Financial Institutions and Insurance |
| FIN | Finance |
| FMPR | Federal Mandates and Property Rights |
| FS | Family Services |
| GAR | Government Accountability and Reform |
| GOV | Government |
| GRGFA | Government Reform and Govt Finance Accountability |
| HE | Higher Education |
| HEA | Health |

| | |
|-------|---|
| HS | Human Services |
| JUD | Judiciary |
| NRRA | Natural Resources and Rural Affairs |
| NRA | Natural Resources and Agriculture |
| PIR | Public Institutions and Retirement |
| RULES | Rules |
| S/E | Strike Everything |
| TRANS | Transportation |
| UCCT | Universities, Community Colleges and Technology |
| WM | Ways and Means |
| W/D | Withdrawn |